

THE RHODE ISLAND CONVENTION CENTER AUTHORITY 365th MEETING OF THE BOARD OF COMMISSIONERS September 20, 2012
A meeting of the Board of Commissioners of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on September 20, 2012 at 9:00 am at the Rhode Island Convention Center, pursuant to notice, at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island.

Board members present were Commissioners, Scott Gunn, Patrick Butler, Joseph DeLorenzo, Paul MacDonald, Jeffery Hirsh, Stan Isreal and Bernie Buonanno.

Mr. Bennett, Mr. Nee, Ms. Carter and Ms. Venturini were unable to attend.

Also present were James P. McCarvill, Executive Director, Kim Keough and Betty Sullivan, Rhode Island Convention Center Authority; Tim Muldoon, Kathy Masino and Nancy Beauchamp, Convention Center; Larry Lepore, Cheryl Cohen and Kate Bizier, Beth Johnson and Bob Cappalli, Dunkin' Donuts Center; Dan Schwartz, VETS; Kayleigh Pratt, Senate Fiscal Office; Michael Nugent, House Fiscal Office; Bruce Leach, Legal Counsel; Sue Johnson and Michael Crawley, LGC&D and Eileen Smith, Recording Secretary.

Mr. Hirsh agreed to chair the meeting. The meeting was called to order at 9:11AM. Mr. Hirsh asked for a motion to approve the minutes

of the August Board Meeting. Upon a motion duly made by Mr. Butler and seconded by Mr. Gunn it was unanimously

VOTED: to approve the minutes of the August meeting.

Mr. Hirsh asked Mr. McCarvill to present the financial information. Mr. McCarvill said that for the month of August the Convention Center's net income was \$268,555 to budget and \$325,340 to the prior year. Year to date net income at the Convention Center was \$278,278 to budget and \$503,077 to the prior year. Mr. McCarvill noted several successful events at the Convention Center made for a good month. Mr. McCarvill said that for the month of August the Dunkin' Donuts Center's net income was \$118,918 to budget and \$139,759 to the prior year. He said that year to date net income for the Dunkin' Donuts Center was \$238,837 to budget and \$169,891 to the prior year. Mr. McCarvill said that the Dunkin' Donuts Center is doing a good job in keeping expenses in check. August net income for the VETS was \$13,522 to budget and \$1,433 to the previous year. Mr. McCarvill stated that year to date net income was \$23,152 to budget and (\$9,978) to the prior year. Mr. McCarvill was pleased to note that the VETS is off to a good start. Mr. McCarvill reported that net income for the Authority for the month of August was (\$17,158) to budget and (\$36,803) to the prior year. Year to date net income is (\$19,096) to budget and \$1,476,117 to the prior year. McCarvill stated that consolidated net income for the month of August was \$383,838 to budget and \$429,729 to the prior year. Year to date consolidated net

income is \$521,172 to budget and \$2,139,108 to the prior year. Mr. McCarvill noted that we seem to be off to a good start.

Mr. Hirsh asked our Auditors to address the Board. Mr. Crawley reported that the Annual Audit of the Convention Center Authority is complete and that again this year there were no audit adjustments. Mr. Crawley indicated that a copy of the audit was sent to the Auditor General for his approval. Mr. Crawley thanked Ms. Sullivan and the financial personnel that made this years' audit a success. Mr. Crawley reported that a copy of the audit is available at the Authority's office if anyone wishes to avail themselves of the report. Ms. Johnson also thanked the staff for their assistance in preparing the audit. Mr. Hirsh asked for a motion to approve the audit for fiscal year ended June 30, 2012. Upon a motion duly made by Mr. Butler and seconded by Mr. Buonanno it was unanimously

VOTED: to accept the Authority's Fiscal year ended June 30, 2012 Audit as submitted to the Auditor General.

Mr. Hirsh recognized Mr. Lepore and asked that he update the Board on events at the Dunk. Mr. Lepore stated that the Carrie Underwood concert did not do as well as the promoter expected. Mr. Lepore said that the promoter asked us to distribute 1,000 tickets and 800 of those attended the performance. Mr. Lepore reported that a Green day show has been added to our schedule and that the WHO is selling well. Discussion ensued regarding the upcoming Day Glow event.

He stated that there will be 4,000 young people dressed in white, a DJ and paint guns. Concern for the arena was voiced and Mr. Lepore said that the seats will be covered, all patrons will be on the floor and the concourse will be closed off. Mr. Lepore stated that no alcohol will be sold. Mr. Lepore said that there is a crane in back of the building taking down the old marquee. He said that a new marquee will be installed next month using the remainder of the construction money. Mr. Lepore announced that we have a unique opportunity to improve our food and beverage sales. He said that we are being used as a test market for a new mobile application to enhance the fan experience at the Dunkin' Donuts Center. Mr. Lepore said that the Wireless Fan Network had a trial run at the Dunk and although there were some glitches there is great potential for the program. Mr. Lepore noted that WFN is based in Providence and is the leading provider of interactive software to enhance the patron experience. Ms. Cohen stated that food can be ordered from your seat, purchase merchandise from your Smartphone, purchase tickets for upcoming events, instant replays and many other applications. Ms. Cohen described the WFN features and services and the benefits of WFN. She said that WFN is a state of the art wireless network that could be a source of incremental revenue. Mr. Lepore said that we can tailor programs for specific customer requirements and report on patron interactions and purchases. Mr. Butler asked if the difficulties were related to the number of users that were tested. Mr. Lepore answered that we had 200 users for a system that was geared to support 150. Mr. Lepore stated that those glitches will be worked out. Mr. Butler

said that we will be able to capture what shows people are interested in, what seats they are sitting in and we can track a person anywhere in the building. Mr. Lepore reported that the September Disney show sales are down. He commented that the show is getting old. Mr. Hirsh asked if the show was down everywhere. Mr. Lepore said that it is. Discussion took place regarding group ticket sales and it was noted that group sales deflate the value of a ticket. Mr. Butler asked if PC was on board yet. Mr. Lepore said that PC would be staying with Global Spectrum for the year. Mr. Lepore stated that he is concerned about PC and the Big East. He said that they have done nothing to bring in a fan base. Mr. Hirsh thanked the Dunkin' Donuts Center for helping the CVB with office space. He noted that the CVB was very pleased with the help and service they received at the Dunk.

Mr. Hirsh asked Mr. Muldoon to update the Board on projects at the Convention Center. Mr. Muldoon stated that Fiscal year 2013 is off to a good start. Mr. Muldoon reported that the sealant project that has been a problem is now moving along nicely. Mr. Muldoon stated that there was a sound system failure that needed to be addressed by hooking up a portable system. He commented that our system is 20 years old and has served us well but with new technology it is time for an upgrade. Mr. Muldoon said that he is working on an RFP for a new system. Mr. Muldoon said that in the meantime we can make what we have operational but it is patched up. Mr. Muldoon reported that upgrades will be made in the garage that will cut the transaction time. Mr. Muldoon also noted that lighting in the garage is being

repaired. Mr. MacDonald thanked Kathy Masino and her crew for a spectacular job for the IBEW diner. Mr. Muldoon said that Kathy and her team do a great job.

Mr. Hirsh recognized Dan Schwartz and asked him to address the board. Mr. Schwartz stated that Camp Broadway and the Film Festival went very well. He noted that Camp Broadway signed a contract to come back next year. Mr. Schwartz reported that Clannad has canceled their tour. Mr. Butler asked if the deposit for Clannad will have to be refunded. Mr. Schwartz said that it will be held for another show.

Ms. Sullivan reported on the renovations. She said that more pipes were found underground that are causing issues with the renovations. Mr. McCarvill noted that one lane on Park Street will be opened on September 29th to allow egress from the City on an extremely busy evening.

Mr. McCarvill reported that the Authority's 2003 bonds will be refundable early next year. He stated that we have been contacted by several firms looking to assist in the refunding. Mr. McCarvill distributed a package that we received from Janney. He said that Janney thinks that we can come away with \$5 million. Mr. McCarvill asked if the board would like to move forward on this opportunity. Mr. MacDonald said that it is a no brainer.

Mr. Hirsh asked if there was any other business. Hearing none Mr. Hirsh asked for a motion to adjourn. Upon a motion duly made by Mr. Buonanno and seconded by Mr. Butler it was unanimously

VOTED: to adjourn at 9:55 am